

PSM/2657/117/08

24 October 2007

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi.


**PAKISTAN STOCK MARKET FUND (PSMF)
FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2007**

We are pleased to inform you that the Board of Directors of Arif Habib Investment Management Limited, (the Management Company) of Pakistan Stock Market Fund (PSMF) in their meeting held on 24th October 2007 at 3:00 P.M. at 2/1, R.Y. 16, Old Queens Road, Karachi, have approved the following financial results:

Income	2007	2006
	(Rupees in '000)	
Capital gain on sale of investments	26,214	68,419
Dividend income	25,096	27,225
Profit on deposit accounts with banks	5,549	6,239
Other Income	2,408	2,423
	59,267	104,306
Unrealised (diminution) / appreciation in fair value of investments ' at fair value through profit or loss -held for trading'	(14,577)	17,850
Total income	44,690	122,156
Operating expenses		
Remuneration of Arif Habib Investment Management Limited - Management Company	16,056	27,667
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,055	1,175
Annual fee - Securities and Exchange Commission of Pakistan	803	922
Brokerage	1,389	2,995
Settlement and bank charges	239	274
Fees and subscriptions	48	60
Legal and professional charges	14	43
Auditors' remuneration	167	138
Amortisation of preliminary expenses and floatation costs	-	126
Total expenses	19,771	33,400
Net income from operating activities	24,919	88,756
Element of income and capital gains included in prices of units sold less those in redemptions	337,795	390,908
Net income for the period	362,714	479,664

We will be sending you 300 copies of printed Accounts for distribution amongst the members of the Exchange.

Yours faithfully,


 Syed Afaz Ahmed
Company Secretary

Arif Habib Investment Management Limited

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